GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:394
ANSWERED ON:20.04.2000
IMPORT OF CHEAP EDIBLE OILS
DILIP KUMAR MANSUKHLAL GANDHI;TARUN GOGOI

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government are aware that Indian Edible Oil and Vanaspati Industries arefacing severe crisis on account of heavy and cheaper influx of refined imported edible oil primarily RBD palmolein;

(b) whether it has adversely affected domestic oil production as well as oil prices;

(c) if so, the reasons for the import of cheap edible oil;

(d) whether the Government have received any representation from the Indian Edible Oil and Vanaspati Industry regarding this; and

(e) if so, the action taken by the Government to save the domestic industry on one side and the farmers on the other?

Answer

MINISTER OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI SHANTA KUMAR)

(a),(b),(c), (d) & (e) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c),(d) & (e) OF STARRED QUESTION NO.394 FOR ANSWER IN THE LOK SABHA ON 20-04-2000.

(a),(b),(c),(d) & (e): There have been representations from Vegetable Oils Industry, as also farmer organizations, that cheap imported refined edible oils primarily RBD Palmolein have adversely affected the domestic processing industry.

There is a gap between demand and availability of edible oils from domestic sources. In order to ensure availability of edible oils at reasonable prices to the consumers, Government has allowed import of edible oil on O.G.L. Government has recently raised the import duty on refined edible oils including RBD Palmolein from 16.5% to 27.5%.SAD @4% has also been made applicable.In addition import of crude edible oils has been subjected to actual user condition. The present import policy facilitates the actual users namely manufacturer of refined oils and vanaspati to have access to raw material at lower import duty, it discourages import by the traders and restricts indiscriminate import by them. In short the present import policy is in the interest of the consumers, farmers and processors.